

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

UNITED STATES DEPARTMENT OF AGRICULTURE
Commodity Stabilization Service
WASHINGTON 25, D. C.

September 20, 1955

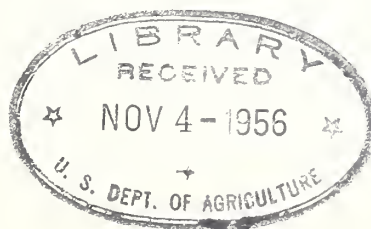
FRESH IRISH POTATOES-LIVESTOCK FEED DIVERSION PROGRAM (WMD 3a)

IMPORTANT NOTICE TO PROSPECTIVE PARTICIPANTS:

Attached are copies of the terms and conditions under which the program to encourage diversion of potatoes for use as livestock feed will be conducted and copies of the forms which will be used. This program will be put into effect only in those States and areas which develop satisfactory plans for the marketing of their potatoes, including the diversion of culls and low quality potatoes.

Participants in the program will be required to:

1. File Application Form CSS-117 in duplicate with their County ASC office and obtain approval for participation. The approval will be in the form of a diversion authorization issued by the State ASC office.
2. File a performance bond on Form CSS-119 with the first application for participation.
3. Arrange with the Federal or Federal-State Inspection Service for an inspector to determine the quality and quantity of potatoes diverted and to certify that diversion was accomplished. Participants will be required to pay the cost of such inspection services.
4. Provide scale tickets, weighing facilities or volume measurements for use in verifying the quantity of potatoes diverted.
5. Provide equipment and facilities, and cut, slice or chop the potatoes in the presence of the inspector. The potatoes shall be cut, sliced or chopped so as to render them unsuitable for re-entry into the normal channels of trade as potatoes.
6. Submit claim for payment on properly executed Form CSS-118 "Invoice and Certificates of Inspection and Diversion."
7. When requested to do so, sign a letter of release to relinquish diversion authority for quantities not diverted during the effective period of the Diversion Authorization.
8. Participants are cautioned that no payments will be made in connection with potatoes diverted prior to the approval of their application or in the absence of an inspector.



UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

FRESH IRISH POTATOES - LIVESTOCK FEED DIVERSION PROGRAM WMD 3a

[Reprinted from Federal Register dated September 17, 1955]

Chapter V—Agricultural Marketing Service, Department of Agriculture

Subchapter B—Export and Domestic Consumption Programs

PART 519—FRESH IRISH POTATOES

SUBPART—FRESH IRISH POTATOES LIVESTOCK FEED DIVERSION PROGRAM WMD 3a

Sec.

- 519.100 General statement.
- 519.101 Administration.
- 519.102 Area.
- 519.103 Period of program.
- 519.104 Rate of payment.
- 519.105 Eligibility for payment.
- 519.106 Application and approval for participation.
- 519.107 Performance bond.
- 519.108 Period of diversion.
- 519.109 Definition of diversion.
- 519.110 Diversion specifications.
- 519.111 Inspection and certificate of diversion.
- 519.112 Claim for payment.
- 519.113 Compliance with program provisions.
- 519.114 Inspection of premises.
- 519.115 Records and accounts.
- 519.116 Set-off.
- 519.117 Joint payment or assignment.
- 519.118 Officials not to benefit.
- 519.119 Amendment and termination.

AUTHORITY: §§ 519.100 to 519.119, issued under sec. 32, 49 Stat. 774, as amended; 7 U. S. C. 612c.

§ 519.100 *General statement.* In order to encourage the domestic consumption of fresh Irish potatoes produced in the continental United States by diverting them from normal channels of trade and commerce, the Secretary of Agriculture, pursuant to the authority conferred by section 32 of Public Law 320, 74th Congress, as amended, offers to make payment for the diversion of 1955-crop potatoes for use as livestock feed, subject to the terms and conditions hereinafter set forth. Information relating to this program and forms prescribed for use hereunder may be obtained from the following:

Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C.

Offices of the State Agricultural Stabilization and Conservation Committees in the respective States.

County Agricultural Stabilization and Conservation Committees in the respective counties.

§ 519.101 *Administration.* The program provided for in this part will be administered under the general direction and supervision of the Director, Fruit and Vegetable Division, Agricultural Marketing Service, and in the field will be carried out by the Commodity Stabilization Service through the Agricultural Stabilization and Conservation State

Committees and Agricultural Stabilization and Conservation County Committees, hereinafter referred to as State and County Committees. Each State Committee will authorize one or more employees of the State Committee to act as representatives of the United States Department of Agriculture, hereinafter referred to as USDA, to approve applications for participation. State and County Committees or their authorized representatives do not have authority to modify or waive any of the provisions of this subpart or any amendments or supplements to this subpart.

§ 519.102 *Area.* This program will be effective in such States or areas as may be designated from time to time by the Director, Fruit and Vegetable Division, Agricultural Marketing Service, U. S. Department of Agriculture. Information with respect to the areas designated may be obtained from the offices listed in § 519.100.

§ 519.103 *Period of program.* This program will be effective from the date of this announcement and continue until further notice, but in any event not later than June 30, 1956.

§ 519.104 *Rate of payment.* The rate of payment per 100 pounds of potatoes meeting the requirements of Specification A as defined in § 519.110 and which are diverted as prescribed in § 519.109 will be 50 cents for potatoes diverted during the months of September, October, November, and December 1955; 40 cents during the months of January, February, and March 1956; and 30 cents during the months of April, May, and June 1956. No payment will be made for any fractional part of 100 pounds and such quantities shall be disregarded.

§ 519.105 *Eligibility for payment.* Payments will be made under this program to any individual, partnership, association or corporation located in the continental United States, (a) who executes and files an application for participation on the prescribed forms, (b) whose application is approved, (c) who diverts fresh Irish potatoes directly or through any other person or persons, (d) who files claim as provided in § 519.112, and (e) who otherwise complies with all the terms and conditions of this subpart.

§ 519.106 *Application and approval for participation.* Persons desiring to participate in this program must submit a written application on Form CSS-117 "Application for Participation in Fresh Irish Potato Livestock Feed Diversion Program—WMD 3a". Each applicant must submit a performance bond as provided in § 519.107. Applications and bonds should be submitted to the

County ASC Office for the county within which the potatoes are to be diverted. Applications will be forwarded to the State ASC Office and will be considered in the order received in the respective areas and in accordance with the availability of funds. Applicants will be notified of the approval or non-approval of their application. Approved applications may be modified or amended with the consent of the applicant and the duly authorized representative of the State Committee; *Provided*, That such modification or amendment shall not be in conflict with the provisions of this subpart or any amendment or supplements hereto. An approved applicant is hereinafter referred to as "the diverter."

§ 519.107 *Performance bond.* Each applicant shall submit with his first application for participation a performance bond as further assurance that the potatoes diverted pursuant to this program will be used exclusively for livestock feed. The bond shall be executed on Form CSS-119 by the principal and two individual sureties, all of whom shall agree to indemnify the USDA for any losses, claims or payments made by USDA with respect to any quantity of such potatoes not used for livestock feed. The USDA may disapprove any bond if for any reason any surety does not in the opinion of USDA afford USDA full protection and security.

§ 519.108 *Period of diversion.* The potatoes in connection with which payments are to be made must be diverted (a) after the date of approval of the diverter's application, (b) within 30 calendar days after the date of such approval, and (c) in any event on or before June 30, 1956.

§ 519.109 *Definition of diversion.* Diversion of potatoes for use as livestock feed as used herein means the preparation of potatoes for feeding to livestock by cutting, slicing or chopping so as to render them unsuitable to enter into normal channels of trade and commerce as potatoes.

§ 519.110 *Diversion specifications.* Potatoes in connection with which payments will be made must meet the requirements of "Specification A" which is hereby defined as meaning potatoes equal to or better than the quality requirements of U. S. No. 2 grade, 2 inches minimum diameter, with no tolerance being allowed for defects or undersize. Long varieties of potatoes which by clipping ends or second growth could be made to meet the quality requirements of U. S. No. 2 grade need not be so clipped to be classed Specification A but the portions which customarily would be clipped off shall not be considered as

meeting the requirements of Specification A and this weight shall be deducted in determining the weight of those potatoes in the lot which do meet the requirements of Specification A.

§ 519.111 *Inspection and certificate of diversion.* Prior to diversion the potatoes shall be inspected by an inspector authorized or licensed by the Secretary of Agriculture to inspect and certify the class, quality, and condition of fresh Irish potatoes. The diverter shall be responsible for requesting and arranging for inspection sufficiently in advance of the diversion so that the inspector can be present to determine the proportion of potatoes in each lot which meet the quality requirements of Specification A. The inspector shall also verify the quantity of potatoes being diverted and that such potatoes have been diverted as defined in § 519.109. The diverter shall furnish such scale tickets, weighing facilities, or volume measurements as determined by the inspector to be necessary for ascertaining the net weight of the potatoes being diverted. The cost of inspecting, verifying the quantity, certifying that diversion has been performed, and issuing certificates thereof shall be borne by the diverter. Certificates shall be prepared on Form CSS-118 "Invoice and Certificates of Inspection and Diversion."

§ 519.112 *Claim for payment.* In order to obtain payment the diverter must submit a properly executed "Invoice and Certificates of Inspection and Diversion," Form CSS-118, to the State ASC Office which approved his application. All such claims shall be filed not later than August 31, 1956.

§ 519.113 *Compliance with program provisions.* If USDA determines that any quantity of potatoes diverted under this program was not used exclusively for livestock feed purposes, whether such failure was caused directly by the diverter or by any other person or persons, the diverter shall not be entitled to diversion payments in connection with such potatoes and shall be liable to USDA for any other damages incurred as a result of such failure to use the potatoes exclusively for livestock feed purposes. USDA may deny any diverter the right to participate in this program or the right to receive payments in connection with any diversion previously made

under this program, or both, if USDA determines that: (a) The diverter has failed to use or caused to be used any quantity of potatoes diverted under this program exclusively for livestock feed purposes, whether such failure was caused directly by the diverter or by any other person or persons, (b) the diverter has not acted in good faith in connection with any transaction under this program, or (c) the diverter has failed to discharge fully any obligation assumed by him under this program. Persons making any misrepresentation of facts in connection with this program for the purpose of defrauding the USDA will be subject to the applicable civil and criminal provisions of the United States Code.

§ 519.114 *Inspection of premises.* The diverter shall permit authorized representatives of USDA at any reasonable time to have access to his premises to inspect and examine such potatoes as are being diverted or stored for diversion, and to inspect and examine the diverter's facilities for diverting potatoes, in order to determine to what extent there is or has been compliance with the provisions of this program.

§ 519.115 *Records and accounts.* If the diverter sells or otherwise disposes of potatoes diverted pursuant to this program to any other person or persons for use as livestock feed the diverter shall keep accurate records and accounts showing the details relative to the diversion and disposition of such potatoes. The diverter shall permit authorized representatives of USDA at any reasonable time to inspect, examine and make copies of such records and accounts in order to determine to what extent there is or has been compliance with the provisions of this program. Such records and accounts shall be retained by the diverter for two years after date of last payment to him under the program.

§ 519.116 *Set-off.* If the diverter is indebted to USDA or to any other agency of the United States, set-off may be made against any amount due the diverter hereunder. Setting off shall not deprive the diverter of the right to contest the justness of the indebtedness involved, either by administrative appeal or by legal action.

§ 519.117 *Joint payment or assignment.* The diverter may name a joint payee on the claim for payment or may assign, in accordance with the provisions of the Assignment of Claims Act of 1940, Public Law 811, 76th Congress, as amended (31 U. S. C. 203, 41 U. S. C. 15), the proceeds of any claim, to a bank, trust company, Federal lending agency, or other recognized financing institution: *Provided*, That such assignment shall be recognized only if and when the assignee thereof files written notice of the assignment with the authorized representative of USDA who approved the application, together with a true copy of the instrument of assignment, in accordance with the instructions on Form CSS-66 "Notice of Assignment," which form must be used in giving notice of assignment to USDA. The "Instrument of Assignment" may be executed on Form CSS-347 or the assignee may use his own form of assignment. The CSS forms may be obtained from the State ASC Office or the Washington office shown in § 519.100.

§ 519.118 *Officials not to benefit.* No member of or delegate to Congress, or Resident Commissioner, shall be entitled to any share or part of any contract resulting from this program or to any benefits that may arise therefrom, but this provision shall not be considered to extend to such a contract if made with a corporation for its general benefit or to any such person acting in his capacity as a farmer.

§ 519.119 *Amendment and termination.* This subpart may be amended or terminated at any time but the amendment or termination shall not be effective earlier than the date of filing with the Federal Register Division. No amendment or termination shall be applicable to any potatoes diverted before the effective time of such amendment or termination.

NOTE: The record-keeping and reporting requirements contained herein have been approved by, and subsequent requirements will be subject to the approval of, the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Dated this 14th day of September 1955.

[SEAL] S. R. SMITH,
Authorized Representative of
the Secretary of Agriculture.

APPLICATION FOR PARTICIPATION
FRESH IRISH POTATO LIVESTOCK FEED DIVERSION PROGRAM WMD 3a

COUNTY

NOTE: Submit this form in an Original and 1 Copy.

I (we) hereby apply for payment to be made in accordance with the terms and conditions of the above named program and for approval of the diversion for use as livestock feed of not to exceed _____ hundredweight of fresh Irish potatoes meeting the requirements of Specification A.

I (we) agree that the entire quantity of such potatoes will be used for livestock feed only. I (we) understand that it is my (our) responsibility to assure myself (ourselves) that such potatoes are actually used for feed purposes only and that the sale or disposition of the potatoes by me (us) to any other person or persons will not in any way relieve me (us) of responsibility in the event the potatoes are used for other than feed purposes.

(SIGNATURE)

(TITLE)

(TELEPHONE NO.)

(DATE OF APPLICATION)

PLEASE PRINT OR TYPE

NAME

ADDRESS (ST. AND NO., CITY AND STATE)

DIVERSION AUTHORIZATION

(DIVERSION AUTHORIZATION NO.)

(DATE)

The above application is hereby approved for the diversion for use as livestock feed of not to exceed _____ hundredweight of fresh Irish potatoes meeting the requirements of Specification A. The diversion of such potatoes shall be accomplished within the above indicated State and County, and shall be completed not more than 30 calendar days after the date of this authorization.

(AUTHORIZED REPRESENTATIVE OF THE USDA)

PERFORMANCE BOND
FRESH IRISH POTATO LIVESTOCK FEED DIVERSION PROGRAM

KNOW ALL MEN BY THESE PRESENTS, That _____

of _____, in the State of _____

as principal, and _____, of _____

in the State of _____, and _____

of _____, in the State of _____

as sureties, are held and firmly bound unto the United States Department of Agriculture (hereinafter referred to as USDA), in a penal sum computed by multiplying the total quantity of potatoes covered by approved applications as referred to below by the applicable rate of diversion payment provided under the program, lawful money of the United States, to be paid to the USDA, to which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above named principal has made application, and may from time to time make additional applications, for payments for the diversion of fresh Irish potatoes into use as livestock feed pursuant to the terms and conditions of the above named program, and

WHEREAS, the regulations of the USDA require the principal to give bond to the USDA with surety to indemnify the USDA before approval will be given to the principal's application or applications.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above named principal shall faithfully and fully utilize such potatoes as may be diverted pursuant to such applications exclusively for livestock feed, whether such use for feed is by the principal or by any other person or persons, then this obligation to be void; otherwise to remain in full force and effect.

The above-bounden principal hereby consents and expressly agrees to furnish a new bond of indemnity with satisfactory surety (sureties) whenever hereafter the surety (or sureties) on this obligation, for any reason, does not in the opinion of USDA afford the USDA full protection and security.

Sealed with our seals, and dated this _____ day of _____ in the year

one thousand nine hundred and _____.

One witness, with full address, to each signature.

As to _____
(NAME OF PRINCIPAL)

(SIGNATURE OF WITNESS)

(SIGNATURE OF PRINCIPAL) (SEAL)

(STREET AND NUMBER) (CITY) (STATE)

As to _____
(NAME OF FIRST SURETY)

(SIGNATURE OF WITNESS)

(SIGNATURE OF SURETY) (SEAL)

(STREET AND NUMBER) (CITY) (STATE)

As to _____
(NAME OF SECOND SURETY)

(SIGNATURE OF WITNESS)

(SIGNATURE OF SURETY) (SEAL)

(STREET AND NUMBER) (CITY) (STATE)

UNITED STATES DEPARTMENT OF AGRICULTURE
Commodity Stabilization Service

Approved: _____

_____, 19____

(TITLE)

INSTRUCTIONS

The following instructions should be strictly observed in executing Performance bonds:

1. NAMES. The full names of the principal and sureties must be written in the body of the bond and so signed to the bond, including the first name (spelled out) and the middle name or initials.
2. WITNESSES. - The signature of each party must be made in the presence of one person, who must sign his name as witness. All erasures and interlineations on the bond must be noted by the witnesses, who must certify that they were made before the execution of the bond.
3. RESIDENCE. - The residence and post-office address (giving number and street, where the residence is so designated) of the principal and each surety and witness must be given.
4. SURETIES. - The sureties on the bond, must be two in number and citizens and residents of the United States. County committeemen, Community Committeemen, and employees of the County offices shall not be eligible to sign as sureties. A married woman will not be accepted as a surety.
5. CERTIFICATE OF AUTHORITY. - The official character and authority of the person or persons executing the bond in the name of the principal shall be certified by the secretary or other officer (who shall be an officer other than the officer executing the bond) on the form at bottom of bond when a corporation is principal. In lieu of such certificate there may be attached to the bond copies of so much of the records of the principal as will show the official character and authority of the officer signing, duly certified as correct under the corporate seal by the secretary or other authorized officer as aforesaid. If the corporation has no seal, such records of authority must be sworn to by the certifying officer before a person authorized to administer oaths for general purposes, and such person must affix his seal.
6. UNINCORPORATED COMPANIES, ETC., AS PRINCIPAL. - When an unincorporated company, society, lodge, or association is principal a copy of the resolution or minutes of the meeting of the proper governing body of the association, under seal of the association (if it has a seal), authorizing an officer or officers to execute the bond must be attached thereto. If the company has no seal, the copy of the resolution should be certified as correct under oath before a notary public or other officer authorized by law to administer oaths (who must affix his official seal) by the secretary or other competent officer of the association.
7. MISCELLANEOUS. - If the Principal is an individual doing business under a company title, he must make affidavit that he is the sole owner of the business and execute the bond individually as sole owner of the company named. If a partnership is the Principal, the names of the individuals should be inserted as principals on the bond, thus: "John Jones and James Smith, composing the firm of Jones and Smith", or "John Jones and James Smith, composing the partnership of John Jones & Co." and the bond should be signed by each member of the partnership.

TO BE EXECUTED WHEN THE PRINCIPAL IS A CORPORATION, ASSOCIATION, ETC.

I, the undersigned, certify that I am the _____ Secretary of _____ named
(NAME OF PRINCIPAL)
as principal in the within bond; that _____ who signed the said bond on
behalf of the principal, was then _____ thereof; that I know his signature
(TITLE)
thereto is genuine; and that said bond was duly signed, sealed, and attested for and in behalf of said principal
by authority of its governing body:

(AFFIX OFFICIAL SEAL OF PRINCIPAL)

INVOICE AND
CERTIFICATES OF INSPECTION AND DIVERSION
FRESH IRISH POTATO LIVESTOCK FEED DIVERSION PROGRAM WMD 3a

NOTE: Submit Original of this form to ASC State Office.

For the purpose of obtaining payments, I (we) hereby certify that the potatoes described below were mine (ours) and that they were diverted by me (us) for use as livestock feed in accordance with the above named program.

QUANTITY MEETING REQUIREMENTS OF DIVERSION SPECIFICATION A CWT.

QUANTITY NOT MEETING REQUIREMENTS OF DIVERSION SPECIFICATION A CWT.

TOTAL CWT.

Claim is hereby made for payment at the rate of _____ cents per hundred-weight and in the amount of \$ _____ for the quantity of potatoes meeting the requirements of Diversion Specification A. I (we) certify, this claim is correct and just and that payment has not been received.

PLEASE PRINT OR TYPE	SIGNATURE
NAME	
ADDRESS (STREET AND NO., CITY AND STATE)	TITLE
	DATE OF CLAIM

I hereby certify that the quantity and quality of the potatoes described above are correct as stated and that such potatoes were diverted for use as livestock feed in accordance with the above named program.

FOR INSPECTORS USE ONLY
FEE \$ _____
EXPENSES \$ _____
TOTAL \$ _____

DATE OF DIVERSION _____

SIGNATURE _____
(LICENSED FEDERAL OR FEDERAL-STATE INSPECTOR)

AMOUNT VERIFIED CORRECT FOR

SIGNATURE OR INITIALS

\$

LETTER OF RELEASE

FRESH IRISH POTATO LIVESTOCK FEED DIVERSION PROGRAM WMD 3a

TO:

The above numbered Diversion Authorization was issued to you on the date shown authorizing you to claim payment for the diversion of up to the specified quantity of Specification A potatoes within 30 calendar days for use as livestock feed. Our records show the following activity under this authorization:

Quantity authorized to be diverted. cwt. Spec. A.
Quantity actually diverted. cwt. Spec. A.
Balance authorized but not diverted cwt. Spec. A.

If this is in agreement with your records please sign the statement below and return this letter to us immediately so that the account for this Diversion Authorization can be closed.

(AUTHORIZED REPRESENTATIVE OF THE USDA)

STATEMENT OF DIVERTER

The above statement is correct and the quantity not diverted is hereby released and will not be the basis for any claim for payment under the program.

(SIGNATURE OF DIVERTER)

Please return immediately to:

